## AGRICULTURE APPROPRIATIONS/Market Access Program Funding Cut

SUBJECT: Agriculture, Rural Development, and Related Agencies Appropriations Bill for fiscal year 1997 . . . H.R. 3603. Cochran motion to table the Bryan amendment No. 4972.

## **ACTION: MOTION TO TABLE AGREED TO, 55-42**

**SYNOPSIS:** As reported, H.R. 3603, the Agriculture, Rural Development, and Related Agencies Appropriations Bill for fiscal year 1997, will appropriate \$54.3 billion in new budget authority, 76 percent of which will be for mandatory spending programs and 76 percent of which will be for food welfare programs (both mandatory and discretionary).

**The Bryan amendment** would prohibit spending more than \$70 million in funds appropriated by this Act on the Market Access Program (the successor to the Market Promotion Program).

Following debate, Senator Cochran moved to table the Bryan amendment. Generally, those favoring the motion to table opposed the amendment; those opposing the motion to table favored the amendment.

## **Those favoring** the motion to table contended:

The Market Access Program, and its predecessor, the Market Promotion Program, have been exhaustively debated over the years. Senators know that the United States has a net trade surplus in agricultural products of \$20 billion yearly; they know that every billion dollars in exports creates 20,000 jobs; they know that the Department of Agriculture estimates that every dollar spent on the Market Access Program returns \$2 to \$7 to the economy; they know that the products that benefit from this program are typically grown on the West Coast and in the South, and that a lot less is spent on promoting them than is spent on promoting grain exports; and they know that all grant recipients are selected not to promote their specific products but to promote the sale of U.S. agricultural goods that are used in their products. Further, they know that as the program was amended in the farm bill, foreign corporations are no longer eligible to participate, nor are large American corporations. Only small businesses and farmer cooperatives are eligible for funding. This program always benefited producers, but the way it is now constituted the benefit goes clearly and directly to them.

(See other side)

	YEAS (55)			NAYS (42)		NOT VOTING (3)	
Republicans Democrat		Democrats	Republicans	Democrats	Republicans Democrats		
	(31 or 62%)	(24 or 51%)	(19 or 38%)	(23 or 49%)	(3)	(0)	
Bennett Bond Burns Campbell Coats Cochran Cohen Craig Domenici Frahm Frist Gorton Gramm Grassley Hatch	Hatfield Helms Hutchison Jeffords Kempthorne Lott Mack McConnell Murkowski Pressler Santorum Simpson Snowe Specter Thomas Thurmond	Akaka Baucus Boxer Breaux Conrad Daschle Dorgan Exon Feinstein Ford Graham Harkin Heflin Kerrey Kohl Leahy Moseley-Braun Murray Pryor Robb Sarbanes Simon Wellstone Wyden	Abraham Ashcroft Brown Chafee Coverdell D'Amato DeWine Faircloth Grams Gregg Inhofe Kyl Lugar McCain Nickles Roth Smith Thompson Warner	Biden Bingaman Bradley Bryan Bumpers Byrd Dodd Feingold Glenn Hollings Inouye Johnston Kennedy Kerry Lautenberg Levin Lieberman Mikulski Moynihan Nunn Pell Reid Rockefeller	1—Offic 2—Nece 3—Illne: 4—Othe SYMBO AY—Ar	r LS: nounced Yea nounced Nay red Yea	

VOTE NO. 236 JULY 24, 1996

When the farm bill was passed, part of the savings from blocking grants from going to foreign-owned companies was used to increase grants for American small businesses and cooperatives. We wholly support that increase. Market promotion assistance is one of the government trade activities that is legal under the General Agreement on Tariffs and Trade (GATT), and the United States' competitors are spending huge sums promoting their products. The pittance that is spent in comparison by the United States on the Market Access Program is clearly inadequate. Though it is inadequate, we are willing to retain the current funding level agreed to in February as a fair compromise. That level was set at \$90 million and the spending was made mandatory. We urge our colleagues not to reopen this argument by placing a restriction on this compromise, mandatory language that is only a few months old. We urge them to reject the Bryan amendment.

## **Those opposing** the motion to table contended:

This past February the Senate voted, 59 to 37, to accept an amendment to the farm bill to cut funding for the Market Access Program from \$110 million to \$70 million and to limit eligibility for that program to domestic companies. Forty million was cut because that was the amount that was saved by limiting eligibility for program funds to American companies. When that bill came back from conference, it still limited eligibility to American companies, but it increased spending by \$20 million. The Bryan amendment would cut spending back to \$70 million.

We have fought to eliminate funding for this program for years. The Market Access Program (formerly called the Market Promotion Program) gives money to companies to advertise their products overseas. Some of the largest corporations in the world, with advertising budgets in the tens and even hundreds of millions of dollars, have signed up for this free advertising money. In 1992, the top 50 participants received about \$1 million each. Recipients over the years have included MacDonald's, Sunkist, and Ernest & Julio Gallo. We think that this program is a horrible waste of money.

Our colleagues, thankfully, agreed with us on the farm bill in banning foreign companies from getting any of this money. If we are going to give corporate welfare, we should at least only give it to American companies. However, the conferees on that bill then used the excuse that they saved \$40 million in corporate welfare to foreigners to increase spending by \$20 million in corporate welfare to Americans. The Bryan amendment would eliminate that extra \$20 million in spending. We urge our colleagues not to table this amendment.